

Directed Printing Services Limited

trading as Direct Ed Printing Services Limited
Annual Report and Unaudited Financial Statements
for the Year Ended 31 October 2017

Howard & Co
10-12 Wellington Street
(St Johns)
Blackburn
Lancashire
BB1 8AG

Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

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Directed Printing Services Limited
trading as Direct Ed Printing Services Limited

(Registration number: 2945569)
Balance Sheet as at 31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	<u>5</u>	194,289	223,610
Investments	<u>6</u>	150	150
		<u>194,439</u>	<u>223,760</u>
Current assets			
Stocks	<u>7</u>	68,470	59,240
Debtors	<u>8</u>	306,381	158,072
Cash at bank and in hand		<u>69,122</u>	<u>123,250</u>
		443,973	340,562
Creditors: Amounts falling due within one year	<u>9</u>	<u>(297,089)</u>	<u>(220,291)</u>
Net current assets		<u>146,884</u>	<u>120,271</u>
Total assets less current liabilities		341,323	344,031
Creditors: Amounts falling due after more than one year	<u>9</u>	-	(19,286)
Provisions for liabilities		<u>(36,915)</u>	<u>(44,317)</u>
Net assets		<u>304,408</u>	<u>280,428</u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>304,308</u>	<u>280,328</u>
Total equity		<u>304,408</u>	<u>280,428</u>

The notes on pages 3 to 10 form an integral part of these financial statements.

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(Registration number: 2945569)
Balance Sheet as at 31 October 2017

For the financial year ending 31 October 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the provisions of FRS 102 Section 1A - Small Entities. The profit and loss account and director's report have not been delivered in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved and authorised by the Board on 30 July 2018 and signed on its behalf by:

.....

Mr MR Mugan

Director

The notes on pages 3 to 10 form an integral part of these financial statements.

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Directed Printing Services Limited
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Notes to the Financial Statements for the Year Ended 31 October 2017

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit 1

The Ironworks Dale Street

Accrington

Lancashire

Lancashire

BB5 0AP

England

These financial statements were authorised for issue by the Board on 30 July 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling, which is the functional currency of the company and are rounded to the nearest pound.

Group accounts not prepared

The financial statements present information about the company as an individual undertaking and not about its group. The company and its subsidiary undertaking comprise a small group. The company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

Government grants are amortised over the expected economic life of the asset for which the grant was received.

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Notes to the Financial Statements for the Year Ended 31 October 2017

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	15% reducing balance
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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Notes to the Financial Statements for the Year Ended 31 October 2017

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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Notes to the Financial Statements for the Year Ended 31 October 2017

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 10 (2016 - 10).

4 Exceptional item

The exceptional item was an inter-company write off in the year ended 31 October 2016.

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Notes to the Financial Statements for the Year Ended 31 October 2017

5 Tangible assets

	Fixtures and fittings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 November 2016	50,907	5,675	509,903	566,485
Additions	2,610	-	2,500	5,110
At 31 October 2017	53,517	5,675	512,403	571,595
Depreciation				
At 1 November 2016	37,860	4,433	300,580	342,873
Charge for the year	2,349	311	31,773	34,433
At 31 October 2017	40,209	4,744	332,353	377,306
Carrying amount				
At 31 October 2017	13,308	931	180,050	194,289
At 31 October 2016	13,045	1,242	209,323	223,610

Leased assets

Included within the net book value of tangible fixed assets is £110,665 (2016 - £130,194) in respect of assets held under hire purchase contracts. Depreciation for the year on these assets was £19,529 (2016 - £22,976).

6 Investments

	2017 £	2016 £
Investments in subsidiaries	150	150
		Subsidiary undertakings £
Cost		
At 1 November 2016		150
Net book value		
At 31 October 2017		150
At 31 October 2016		150

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Notes to the Financial Statements for the Year Ended 31 October 2017

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
Subsidiary undertakings				
Printworthy Limited	Unit 1	Ordinary shares	100%	100%
	The Iron Works			
	Dale Street			
	Accrington			
	BB5 0AP			
	England			
MH Precision Engineering Limited	Unit 1	Ordinary shares	50%	50%
	The Iron Works			
	Dale Street			
	Accrington			
	BB5 0AP			
	England			

The principal activity of Printworthy Limited is printing.

The principal activity of MH Precision Engineering Limited is engineering.

7 Stocks

	2017	2016
	£	£
Other inventories	68,470	59,240

8 Debtors

	Note	2017	2016
		£	£
Trade debtors		277,135	144,285
Amounts owed by group undertakings and undertakings in which the company has a participating interest	<u>12</u>	29,182	12,799
Prepayments		64	988
		<u>306,381</u>	<u>158,072</u>

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Notes to the Financial Statements for the Year Ended 31 October 2017

9 Creditors

Creditors: amounts falling due within one year

	Note	2017 £	2016 £
Obligations under hire purchase contracts	<u>11</u>	19,286	37,778
Trade creditors		165,681	95,069
Taxation and social security		56,806	36,678
Accruals and deferred income		20,827	32,760
Other creditors		34,489	18,006
		<u>297,089</u>	<u>220,291</u>

Creditors include net obligations under hire purchase contracts which are secured of £19,286 (2016 - £37,778).

Creditors: amounts falling due after more than one year

	Note	2017 £	2016 £
Obligations under hire purchase contracts	<u>11</u>	<u>-</u>	<u>19,286</u>

Creditors include net obligations under hire purchase contracts which are secured of £nil (2016 - £19,286).

10 Share capital

Allotted, called up and fully paid shares

	No.	2017 £	No.	2016 £
Ordinary of £1 each	100	100	100	100

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Notes to the Financial Statements for the Year Ended 31 October 2017

11 Loans and borrowings

	2017 £	2016 £
Non-current loans and borrowings		
Hire purchase contracts	-	19,286
	-	19,286
	2017 £	2016 £
Current loans and borrowings		
Hire purchase contracts	19,286	37,778
	19,286	37,778

12 Related party transactions

Summary of transactions with other related parties

MH Precision Engineering Limited

Directed Printing Services Limited holds 50% of the issued share capital of MH Precision Limited

The terms of the loan is that it is repayable on demand and there is no interest charged on the loan.

This loan is disclosed in Other Debtors on the balance sheet.

Loans to related parties

	Other related parties £
2017	
At start of period	11,269
Advanced	3,318
	14,587
At end of period	14,587
	Other related parties £
2016	
Advanced	11,269
	11,269

13 Transition to FRS 102

There were no adjustments to the Profit and Loss Account or Balance Sheet in respect of transition to FRS 102 Section 1A.

The date of the transition to FRS 102 Section 1A was 1 November 2015.

